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Message Text

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ORIGIN PA-02

INFO OCT-01 ISO-00 SS-15 PRS-01 SSO-00 CCO-00 /019 R

DRAFTED BY PA:WDYESS:RK
APPROVED BY PA:WDYESS
S/S - MR. SEBASTIAN
DESIRED DISTRIBUTION
PA, S/S, S/PRS
----------272004Z 002954 /43
O 271954Z DEC 76 ZFF4
FM SECSTATE WASHDC
TO USDEL SECRETARY IMMEDIATE

UNCLAS STATE 311114 TOSEC 340021

E.O. 11652: N/A

TAGS: SOPN, OVIP (KISSINGER)

SUBJECT: PRESS MATERIAL

1. HEREWITH FULL TEXT EVANS AND NOVAK OP-ED COLUMN THE WASHINGTON POST MONDAY DECEMBER 27 HEADED "ISRAEL AND THE F-16 DISPUTE."

2. PRESIDENT-ELECT CARTER IS ABOUT TO BE CAUGHT IN A POLITICAL-MILITARY SQUEEZE BETWEEN ISRAEL'S REQUEST FOR PRODUCTION RIGHTS TO THE NEW F-16 FIGHTER PLANE AND THE LIKELY RESISTANCE OF FOUR EUROPEAN ALLIES TO GO ALL THE WAY WITH THAT REQUEST.

3. THE F-16 DISPUTE IS ONLY THE LATEST PREDICAMENT ARISING OVER THESE LONG-STANDING -- AND UNDERSTANDABLE -- U.S. DESIRES: TO HELP ARM ISRAEL FOR ANOTHER POSSIBLE WAR AGAINST THE ARABS AND TO EASE ITS ECONOMIC CRISIS.

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4. AGAINST THESE LAUDABLE GOALS, HOWEVER, IS THE PROBLEM OF ISRAEL'S USING U.S. FOREIGN AID TO SELL ARMS ON THE WORLD MARKET. THAT PRACTICE CAN CONFLICT DIRECTLY WITH U.S. INTERESTS AND U.S. ALLIES.

5. WHEN ISRAELI DEFENSE MINISTER SHIMON PERES ARRIVED HERE

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TWO WEEKS AGO TO PRESENT ISRAEL'S NEWEST REQUEST, THE F-16

WAS AT THE TOP OF THE LIST. HE WANTED NOT ONLY 50 OF THE NEWEST U.S. FIGHTERS TO BE FINANCED BY THE UNITED STATES BUT ALSO THE RIGHT TO CO-PRODUCE 200 MORE. THIS MEANS ISRAEL WOULD MAKE COMPONENTS AND ASSEMBLE THE PLANE IN ISRAEL.

6. SOME DEFENSE AND DIPLOMATIC EXPERTS HERE SUSPECT ISRAEL ALSO WANTS TO MARKET SPARE PARTS (FROM ITS OWN PRODUCTION) TO FOREIGN BUYERS OF THE PLANE -- IRAN, FOR EXAMPLE. THIS WOULD HELP FINANCE THE F-16S PURCHASED THROUGH U.S. CREDITS FOR ISRAEL'S OWN AIR FORCE.

7. THE PROBLEM IS THAT THE UNITED STATES HAS A COMPLETELY SEPARATE AGREEMENT WITH FOUR OF ITS NATO ALLIES: BELGIUM, THE NETHERLANDS, NORWAY AND DENMARK. THAT AGREEMENT WAS PUSHED HARD BY THE UNITED STATES TO PERSUADE THE FOUR NATO COUNTRIES TO AGREE ON THE F-16 AS A STANDARDIZED NATO FIGHTER PLANE. ACCORDINGLY, EACH OF THE FOUR NOW HAS THE RIGHT TO "CO-PRODUCE" THE AIRCRAFT AND SELL SURPLUS PRODUCTION ABROAD.

8. THE SEPARATE DEAL BETWEEN THE UNITED STATES AND ISRAEL COULD PUT ISRAEL INTO COMPETITION WITH THE FOUR NATO COUNTRIES FOR SELLING THE F-16'S VALUABLE SPARE PARTS (AS WELL AS IN DIRECT COMPETITION WITH THE UNITED STATES ITSELF). SO, A QUIET BUT INTENSIVE INVESTIGATION IS NOW UNDER WAY BY THE STATE AND DEFENSE DEPARTMENTS INTO POLITICAL AND MILITARY RAMIFICATIONS OF THE WHOLE CO-PRODUCTION DEAL
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WITH ISRAEL.

9. WHATEVER THE INVESTIGATIONS SHOW, THESE ARE THE ALTERNATIVES: RISK AFFRONTING OUR NATO ALLIES BY AGREEING ON AN ADDITIONAL CO-PRODUCTION PARTNER, WITH FUTURE COMPETITION ON SPARE PARTS TURNED OUT BY AN AGGRESSIVE, HIGHLY ORGANIZED FORCE OF AVIONICS TECHNICIANS IN ISRAEL; OR DENY ISRAEL A COST-SAVING SCHEME, RISKING A NASTY FIGHT WITH PRO-ISRAEL FORCES IN CONGRESS.

10. THE STATE-DEFENSE STUDY WILL EXPLORE HIDDEN ASPECTS OF ISRAEL'S BURGEONING ARMS TRADE GOING WELL BEYOND THE F-16. ISRAEL HAS BEEN DICKERING WITH BOTH AUSTRIA AND SOUTH AFRICA FOR SALE OF THE ISRAELI-PRODUCED KFIR FIGHTER PLANE -- AN ISRAELI-DESIGNED BODY WITH A GENERAL ELECTRIC J79 JET ENGINE AND SOME COMPONENTS MADE IN ISRAEL.

11. THE CHANGING ROLE OF THE KFIR IS CITED BY EUROPEAN

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MEMBERS OF THE F-16 CONSORTIUM AS AN "ILLUMINATING STUDY" FOR WHAT CONCEIVABLY MIGHT HAPPEN IN ISRAEL TO THE F-16.

12. WHEN ISRAEL DECIDED TO PRODUCE THE KFIR, THE UNITED STATES WAS INFORMED THE AIRCRAFT WOULD REDUCE ISRAEL'S NEED FOR SUCCESSIVE MODELS OF AMERICAN FIGHTER JETS. CONSEQUENTLY, THE GE JET ENGINES WERE APPROVED FOR EXPORT TO ISRAEL.

13. THE LATEST VERSION OF THE KFIR IS DESCRIBED BY DEFENSE EXPERTS HERE AS "MADE TO ORDER FOR EXPORT#,WITH AUSTRIA, SOUTH AFRICA AND TWO LATIN AMERICAN COUNTRIES AS TARGETS. OFFICIALS HERE RULE OUT AUSTRIA AS A BUYER, BUT NOT SOUTH AFRICA AND THE LATIN AMERICAN COUNTRIES.

14. ISRAELI SALE OF THE KFIR IS ILLEGAL WITHOUT PRIOR U.S. APPROVAL, BECAUSE OF ITS HIGH-TECHNOLOGY U.S. COMPONENTS, PARTICULARLY THE ENGINE. NEVERTHELESS, TOP OFFI-
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CIALS HERE SAY ISRAEL DEFINITELY IS HOPING FOR A SALE AND FOR WHITE HOUSE OR CONGRESSIONAL APPROVAL.

15. THAT MAY BE WISHFUL THINKING. WITH JIMMY CARTER TAKING A TOUGH, NO-COMPROMISE LINE ON SOUTH AFRICA, FAR MORE SUBJECT TO BLACK POLITICAL INFLUENCE THAN PRESIDENT FORD, A WAIVER OF THE BAN MIGHT NOT GET THROUGH EITHER THE WHITE HOUSE OR CONGRESS.

16. SOME CONGRESSMEN HAVE PRIVATELY QUESTIONED ISRAEL'S SALE TO CHILE OF THE SHAFRIR, AN ISRAELI-MADE AIR-TO-AIR MISSILE. IT HAS NO U.S. COMPONENTS AND CAN BE SOLD LEGALLY, BUT THE SHAFRIR WOULD FALL UNDER A CONGRESSIONAL BAN ON THE SALE OF A SIMILAR U.S. WEAPON TO CHILE. INDEED, U.S. POLICY AS DICTATED BY CONGRESS IS STRONGLY BIASED AGAINST ARMS SALES ANYWHERE IN LATIN AMERICA.

17. IT IS AGAINST THAT BACKGROUND THAT THE CARTER ADMINISTRATION WILL JUDGE ISRAEL'S REQUEST FOR A CO-PRODUCTION DEAL ON THE WEST'S MOST ADVANCED FIGHTER AIRCRAFT. THE NEW PRESIDENT WILL HAVE TO BALANCE ISRAEL'S JUSTIFIED NEEDS FOR MILITARY PROTECTION AND ECONOMIC HELP AGAINST U.S. INTERESTS ELSEWHERE, PARTICULARLY IN TROUBLED NATO.
(END OF TEXT)
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TOSEC, PRESS COMMENTS, FIGHTER AIRCRAFT
Control Number: n/a
Copy: SINGLE
Draft Date: 27 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE311114
Document Source: CORE
Document Unique ID: 00
Drafter: WDYESS:RK
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760473-0231
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761212/aaaaakct.tel
Line Count: 164
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN PA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: vogelfj
Review Comment: n/a
Review Content Flags:
Review Date: 10 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 JUN 2004 by chengls>; APPROVED <22 DEC 2004 by vogelfj>
Review Markings:

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US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PRESS MATERIAL
TAGS: SOPN, OVIP, MASS, US, IS, WASHINGTON POST, (KISSINGER, HENRY A)
To: SECRETARY
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006